**B. I. C. P. recommendations regarding strategies for cost production**

602. SHRI CHIMANBHAI MEHTA: SHRI JITENDRABHAI LABHSHANKER BHATT:

Will the Minister of INDUSTRY be pleased to state:

(a) whether it is a fact that the Bureau of Industrial Costs and Prices has submitted a report to Government in April, 1988 regarding strategies for cost production;

(b) whether it is also a fact that the BICP - has also recommended for the reduction of the prices of raw materials for petro-chemical products;

(c) if so, what are the details thereof; and

(d) what action Government propose to take in the matter?

THE MINISTER OF INDUSTRY (SHRI J. VENGAL RAO): (a) to (d) The Bureau of Industrial Costs and Prices reports provide an analysis of costs and other aspects to facilitate decision-taking process in the Government. Details of these cannot be divulged until after a decision thereon has been taken.

**Shortage of plastic**

603. SHRI CHIMANBHAI MEHTA: SHRI JITENDRABHAI LABHSHANKER BHATT:

Will the Minister of INDUSTRY be pleased to state: *

(a) whether Government's attention has been drawn to the perennial scarcity of plastic raw material in India;

(b) what is the projected gap between the demand and supply of plastic material in the country in the next five year pe riod; and

(c) what steps are being taken to cover the gap between the demand and supply of plastic?

THE MINISTER OF INDUSTRY (SHRI J. VENGAL RAO): (a) and (b) Government is aware that the present domestic availability of plastic raw materils-is not adopate to meet the indigenous demand in full and situation of shortages will continue for some years. The projected gaps between demand and domestic availability of plastic raw materials during the current financial year and as in 1994-95 are as follows: —

('000 tonnes)

| | |
|---|---|
| Projected gap in demand and domestic availability: | |
| 1988-89 | 340 |
| 1994-95 | 1085 |

(c) To facilitate coverage of the gap between demand and domestic availability, import of plastic raw materials is permitted on OGL.

By way of long term solution to the problem, additional capacities for the manufacture of plastic raw materials are being established in the country. In the Maharashtra Gas Cracker Complex under implementation by IPCL which is slated for mechanical completion in 1989, following major polymers will be produced: —

('000 tonnes)

| | |
|---|---|
| LDPE | 80 |
| HDPE/LLDPE | 135 |
| PP | 60 |
| Total | 275 |

**Shortage of Petrochemicals**

604. SHRI CHIMANBHAI MEHTA: Will the Minister of INDUSTRY be pleased to state:

(a) whether it is a fact that petrochemicals, particularly those in the polymer range are in short supply;

(b) if so, what is the estimate of short supply of each of the petrochemical products during the years 1987-88, 1988-89 and 1989-90;

(c)what is the cost estimate in foreign exchange if this shortage is met by import; and

(d) whether there is any plan to meet this shortage by domestic production; if so, what are the details thereof?

THE MINISTER OF INDUSTRY (SHRI J. VENGAL RAO): (a) and (b)
At present the domestic production of polymers and few other intermediates is not adequate to meet the indigenous demand in full. The projected gaps between demand and domestic availability in respect of major products are as follows:

'000 MTA

| | Projected gap between domsstic availability and demand | | |
|---|---|---|---|
| Product | 1987-88 | 1988-89 | 1989-90 |
| 1. Polymers | 270 | 340 | 430 |
| 2. Caprolactam | 50 56 | 60 | 45 |
| 3. MEG | | 84 | 104 |

(c) The estimated cost of imports to cover the above shortages during 1988-89 is around Rs 1000 crores.

(d) Additional capacities are being established for the manufacture of above products in the country. In the Maharashtra Gas Cracker Complex, under implementation by IPCL which is slated for mechanical completion in 1989 the following products will be produced:

| | '000 MTA |
|---|---|
| (i) LDPE. | 80 |
| (ii) HDPE/LLDPE | 135 |
| (iii) PP. | 60 |
| (iv) MEG | 50 |
| Total | 325 |

Similarly the caprolactam plant of FACT having a licensed capacity of 50, 000 TPA is slated for mechanical completion in 1989-90.

**Relief to P. S. F. Units**

605. SHRI SHANKER SINH VA GHELA; Will the Minister of INDUS TRY be pleased to state;

(a) whether it is a fact that the financial institutions have formulated a reliefs package to enable nascent polyester staple fibre units to overcome the depression in the market;

(b) if so what are the details thereof; and

(c) what are the details of the effects of various steps taken to overcome the depression in PSF industry?

THE MINISTER OF INDUSTRY (SHRI J. VENGAL RAO): (a) Financial Institutions have not formulated a relief package for new polyester staple fibre units yet,

(b) Does not arise

(c) The reduction in excise duty on PSF announced in this year's budget has helped in growth of demand for this pro duct. Permission to export PSF has enabled improved capacity utilisation in the industry to some extent.

**Non-functioning of telephones in Guwahati**

606. DR. NAGEN SAIKIA; Will the Minister of COMMUNICATIONS be pleased to state;

(a) whether it is a fact that most of the telephones in Guwahati are not functioning prpperly;

(b) whether some subscribers telephones in Guwahati have lodged complaints in the court against the Telecommunications Department for non-functioning of instruments and wrong billing for the telephones;

(c) if so, how many complaints have been lodged so far; and

(d) what measures have been taken in this regard?